



DEPARTMENT OF COMMERCE

International Trade Administration

[C-570-113]

Certain Collated Staples from the People's Republic of China: Preliminary Results and Partial Rescission of the Countervailing Duty Administrative Review; 2019-2020

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The U.S. Department of Commerce (Commerce) preliminarily determines that countervailable subsidies were provided to producers and exporters of certain collated steel staples (collated staples) from the People's Republic of China (China) during the period of review (POR) from November 12, 2019, through December 31, 2020. Additionally, Commerce is rescinding the review with respect to 79 companies. Interested parties are invited to comment on these preliminary results.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: Joshua Simonidis and Jinny Ahn, AD/CVD Operations, Office VIII, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-0608 and (202) 482-0339, respectively.

SUPPLEMENTARY INFORMATION:

Background

On July 20, 2020, Commerce published the countervailing duty (CVD) order on collated staples from China.¹ On August 2, 2021, we received a timely request for an administrative

¹ See *Certain Collated Steel Staples from the People's Republic of China: Countervailing Duty Order*, 85 FR 43813 (July 20, 2020) (*Order*).

review from Kyocera Senco Industrial Tools, Inc. (the petitioner).² On September 7, 2021, Commerce published in the *Federal Register* a notice of initiation of an administrative review of the *Order* on 87 producers/exporters.³ For a description of the events that occurred since the initiation of this review, *see* the Preliminary Decision Memorandum.⁴

The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly at <https://access.trade.gov/public/FRNoticesListLayout.aspx>. A list of topics discussed in the Preliminary Decision Memorandum is included as Appendix I to this notice.

Scope of the *Order*

The product covered by the *Order* is collated staples from China. For a complete description of the scope of the *Order*, *see* the Preliminary Decision Memorandum.

Rescission of Administrative Review, In Part

Pursuant to 19 CFR 351.213(d)(1), Commerce will rescind an administrative review, in whole or in part, if a party who requested the review withdraws the request within 90 days of the date of publication of the notice of initiation. As noted in the Preliminary Decision Memorandum, on September 16, 2021, the petitioner timely withdrew its request for review for Youngwoo (Cangzhou) Fasteners Co., Ltd. (Youngwoo).⁵ Because there was a timely withdrawal of request for review for Youngwoo and because there are no other active requests for review for Youngwoo, we are rescinding this review with respect to Youngwoo, pursuant to

² See Petitioner's Letter, "Request for Administrative Reviews," dated August 2, 2021.

³ See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 86 FR 50034, 50045-46 (September 7, 2021) (*Initiation Notice*).

⁴ See Memorandum, "Decision Memorandum for the Preliminary Results in the Countervailing Duty Administrative Review and Partial Rescission: Certain Collated Steel Staples from the People's Republic of China; 2019-2020," dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

⁵ See Preliminary Decision Memorandum at 2.

19 CFR 351.213(d)(1). As such, we have included Youngwoo in the list of companies in Appendix III of this notice.

In addition, based on our analysis of U.S. Customs and Border Protection (CBP) information, we preliminarily determine that 78 companies had no entries of subject merchandise during the POR.⁶ On July 1, 2022, we notified parties that we intended to rescind this administrative review with respect to the 78 companies because there are no reviewable suspended entries. No parties commented on the notification of intent to rescind the review, in part.⁷ Pursuant to 19 CFR 351.213(d)(3), we are rescinding the administrative review of these companies. We have included a list of these 78 companies in Appendix III of this notice. For additional information regarding this determination, *see* the Preliminary Decision Memorandum.⁸

Methodology

Commerce is conducting this review in accordance with section 751(a)(1)(A) of the Tariff Act of 1930, as amended (the Act). For each of the subsidy programs found countervailable, we preliminarily determine that there is a subsidy, *i.e.*, a financial contribution by an “authority” that confers a benefit to the recipient, and that the subsidy is specific.⁹ For a full description of the methodology underlying our preliminary conclusions, including our reliance, in part, on adverse facts available pursuant to sections 776(a) and (b) of the Act, *see* the Preliminary Decision Memorandum.¹⁰

Preliminary Rate for Non-Selected Companies Under Review

As discussed above, Commerce initiated this administrative review on 87 producers/exporters and is rescinding this administrative review, in part, with respect to 79 producers/exporters. In addition, Commerce selected three mandatory respondents, China Staple

⁶ *See* Appendix III.

⁷ *See* Memorandum, “Notice of Intent to Rescind Review, In Part,” dated July 1, 2022.

⁸ *See* Preliminary Decision Memorandum at 3-4.

⁹ *See* sections 771(5)(B) and (D) of the Act regarding financial contribution; section 771(5)(E) of the Act regarding benefit; and section 771(5A) of the Act regarding specificity.

¹⁰ *See* Preliminary Decision Memorandum at 7-38.

Enterprise (Tianjin) (China Staple), Shanghai Yueda Nails Co., Ltd. (Shanghai Yueda), and Tianjin Hweschun Fasteners Mfg. Co. Ltd. (Tianjin Hweschun) for individual examination. However, only Tianjin Hweschun participated in this administrative review. For the remaining five companies subject to this review, because the rate calculated for Tianjin Hweschun is above *de minimis* and not based entirely on facts available, we are applying to the five non-selected companies Tianjin Hweschun's subsidy rate. This methodology to establish the rate for the non-selected companies is pursuant to section 705(c)(5)(A) of the Act, which governs the calculation of the "all-others" rate in an investigation, as guidance. For additional information, *see* the Preliminary Decision Memorandum.¹¹ For a list of the non-selected companies, *see* Appendix II to this notice.

¹¹ *Id.* at 4-5.

Preliminary Results of the Review

In accordance with 19 CFR 351.221(b)(4)(i), we calculated a countervailable subsidy rate for Tianjin Hweschun. We determined the countervailable subsidy rate for China Staple and Shanghai Yueda based entirely on adverse facts available (AFA), in accordance with section 776 of the Act,¹² due to their failure to participate in this review. Therefore, the only rate that is not zero, *de minimis*, or based entirely on facts otherwise available is the rate calculated for Tianjin Hweschun. Consequently, as discussed above, we applied the rate for Tianjin Hweschun to all other producers/exporters subject to this review but not selected for individual examination (*i.e.*, non-selected companies).

We preliminarily find the countervailable subsidy rates for the mandatory and non-selected respondents under review for the period of November 12, 2019, through December 31, 2020, to be as follows:

Producer/Exporter	Subsidy Rate (percent)
Tianjin Hweschun Fasteners Mfg. Co. Ltd.	35.63
China Staple Enterprise (Tianjin)	193.36
Shanghai Yueda Nails Co., Ltd.	193.36
Non-Selected Companies Under Review ¹³	35.63

Verification

As provided in section 782(i)(3) of the Act, Commerce intends to verify the information relied upon for its final results.

¹² For information detailing the derivation of the AFA rate applied, *see* Memorandum, “AFA Calculation Memorandum for the Preliminary Results in the Administrative Review of Certain Collated Steel Staples from the People’s Republic of China,” dated concurrently with this memorandum.

¹³ *See* Appendix II.

Disclosure and Public Comment

We intend to disclose to interested parties the calculations performed for these preliminary results within five days of the date of publication of this notice in accordance with 19 CFR 351.224(b).

Case briefs or other written comments may be submitted to the Assistant Secretary for Enforcement and Compliance. A timeline for the submission of case briefs and written comments will be provided to interested parties at a later date.¹⁴ Rebuttal briefs, limited to issues raised in case briefs, may be submitted no later than seven days after the deadline date for case briefs.¹⁵ Note that Commerce has temporarily modified certain of its requirements for serving documents containing business proprietary information until further notice.¹⁶

Pursuant to 19 CFR 351.309(c)(2) and (d)(2), parties who submit case briefs or rebuttal briefs in this review are encouraged to submit with each argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities. Case and rebuttal briefs must be filed using ACCESS.¹⁷ An electronically filed document must be received successfully in its entirety by ACCESS by 5:00 p.m. Eastern Time on the established deadline.

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing, limited to issues raised in the case and rebuttal briefs, must submit a written request to the Assistant Secretary for Enforcement and Compliance, U.S. Department of Commerce, within 30 days after the date of publication of this notice. Requests should contain the party's name, address, and telephone number, the number of participants, and a list of the issues to be discussed. If a request for a hearing is made, Commerce intends to hold the hearing at a time and date to be

¹⁴ See 19 CFR 351.309(c).

¹⁵ See 19 CFR 351.309(d); see also *Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19*, 85 FR 17006, 17007 (March 26, 2020) ("To provide adequate time for release of case briefs via ACCESS, E&C intends to schedule the due date for all rebuttal briefs to be 7 days after case briefs are filed (while these modifications remain in effect).").

¹⁶ See *Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19; Extension of Effective Period*, 85 FR 41363 (July 10, 2020).

¹⁷ See 19 CFR 351.303.

determined.¹⁸ Parties should confirm by telephone the date and time of the hearing two days before the scheduled date.

Final Results

Unless the deadline is extended, we intend to issue the final results of this administrative review, which will include the results of our analysis of the issues raised in the case briefs, within 120 days of publication of these preliminary results in the *Federal Register*, pursuant to section 751(a)(3)(A) of the Act and 19 CFR 351.213(h).

Assessment Rates

Upon completion of the administrative review, consistent with section 751(a)(1) of the Act and 19 CFR 351.212(b)(2), Commerce shall determine, and CBP shall assess, countervailing duties on all appropriate entries covered by this review. For the companies for which this review is rescinded, Commerce will instruct CBP to assess countervailing duties on all appropriate entries at a rate equal to the cash deposit of estimated countervailing duties required at the time of entry, or withdrawal from warehouse, for consumption, during the period November 12, 2019, through December 31, 2020, in accordance with 19 CFR 351.212(c)(1)(i). We intend to issue appropriate assessment instructions to CBP no earlier than 35 days after the date of publication of this notice in the *Federal Register*.

For the companies remaining in the review, Commerce will instruct CBP to assess countervailing duties on all appropriate entries at the subsidy rates calculated in the final results of this review. We intend to issue assessment instructions to CBP no earlier than 35 days after the date of publication of the final results of this review in the *Federal Register*. If a timely summons is filed at the U.S. Court of International Trade, the assessment instructions will direct CBP not to liquidate relevant entries until the time for parties to file a request for a statutory injunction has expired (*i.e.*, within 90 days of publication).

Cash Deposit Requirements

¹⁸ See 19 CFR 351.310.

In accordance with section 751(a)(1) of the Act, Commerce intends, upon publication of the final results, to instruct CBP to collect cash deposits of estimated countervailing duties in the amounts shown for each of the respective companies listed above and in Appendix II on shipments of subject merchandise entered, or withdrawn from warehouse, for consumption on or after the date of publication of the final results of this administrative review. For all non-reviewed firms, we will instruct CBP to continue to collect cash deposits at the most recent company-specific or all-others rate applicable to the company. These cash deposit requirements, when imposed, shall remain in effect until further notice.

Notification to Interested Parties

These preliminary results are issued and published pursuant to sections 751(a)(1) and 777(i)(1) of the Act, and 19 CFR 351.221(b)(4).

Dated: July 29, 2022.

Lisa W. Wang,

Assistant Secretary

for Enforcement and Compliance.

Appendix I

List of Topics Discussed in the Preliminary Decision Memorandum

- I. Summary
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- III. Rescission of Administrative Review, In Part
- IV. Non-Selected Companies Under Review
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- VII. Diversification of China's Economy
- VIII. Use of Facts Otherwise Available and Application of Adverse Inferences
- IX. Subsidies Valuation
- X. Inputs and Electricity Benchmarks
- XI. Analysis of Programs
- XII. Recommendation

Appendix II

List of Non-Selected Companies

1. A-Jax International Co., Ltd.
2. China Dinghao Co., Ltd.
3. Rise Time Industrial Ltd.
4. Shaoxing Bohui Import Export Co., Ltd.
5. Zhejiang Best Nail Industrial Co., Ltd.

Appendix III

List of Companies Subject to Rescission of Review

1. Anping Haotie Metal Technology Co.
2. Changzhou Kya Trading Co., Ltd.
3. China Wind International Ltd.
4. Dezhou Hualude Hardware Products Co., Ltd.
5. Dt China (Shanghai) Ltd, Ningbo Branch.
6. Ejen Brothers Limited.
7. eTeklon Co., Ltd.
8. Fastnail Products Limited.
9. Foshan Chan Seng Import and Export Co., Ltd.
10. Guangdong Meite Mechanical Co., Ltd.
11. H&B Promotional Limited.
12. Hangzhou Great Import & Export Co., Ltd.
13. Hangzhou Light Industrial Products, Arts & Crafts, Textiles Import & Export Co., Ltd
14. Hangzhou Strong Lion New Material Co., Ltd.
15. Hebei Cangzhou New Century Foreign Trade Co., Ltd.
16. Hebei Jinshi Industrial Metal Co., Ltd.
17. Hebei Machinery Import and Export Co., Ltd.
18. Hebei Minmetals Co., Ltd.
19. Hengtuo Metal Products Co., Ltd.
20. Hk Quanyi Coil Spring Metals Product Limited.
21. Huanghua Baizhou Trading Co., Ltd.
22. Jiangmen Rui Xing Yuan Import and Export Co., Ltd.
23. Jiaxing Brothers Hardware Co., Ltd.
24. Jinhua Qual Max Trading Co., Ltd.
25. Kinglong Manufacturing Co., Ltd.
26. Milan Pacific International Limited.
27. Mingguang Ruifeng Hardware Products Co., Ltd.
28. Ningbo (Yinzhou) Yongjia Electrical Tools Co., Ltd.
29. Ningbo Alldo Stationery Co., Ltd.
30. Ningbo Deli Import & Export Co., Ltd.
31. Ningbo Guangbo Import & Export Co., Ltd.
32. Ningbo Huayi Import & Export Co., Ltd.
33. Ningbo Mascube Imp. & Exp. Corp.
34. Ningbo Mate Import & Export Co., Ltd.
35. Ningbo Pacrim Manufacturing Co., Ltd.
36. Ningbo S-Chande Import & Export Co., Ltd.
37. Ningbo Sunlit International Co., Ltd.
38. Ningbo Yuanyu Imp. & Exp. Co., Ltd.
39. Ninghai Huihui Stationery Co., Ltd.
40. Oli-Fast Fasteners (Tianjin).
41. Qingdao Top Metal Industrial Co., Ltd.
42. Qingdao Top Steel Industrial Co., Ltd.
43. Rayson Electrical Mfg., Ltd.
44. Rebon Building Material Co., Limited.

45. Shanghai Genmes Office Products Co., Ltd.
46. Shanghai Jade Shuttle Hardware.
47. Shanghai Lansi Trading Co., Ltd.
48. Shanghai Yinwo Technologies Development Co., Ltd.
49. Shaoxing Best Nail Industrial Co., Ltd.
50. Shaoxing Feida Nail Industry Co., Ltd.
51. Shaoxing Huasheng Stationery Manufacturing Co., Ltd.
52. Shaoxing Jingke Hardware Co., Ltd.
53. Shaoxing Mingxing Nail Co., Ltd.
54. Shaoxing Shunxing Metal Producing Co., Ltd.
55. Shaoxing Xinyi Hardware & Tools Co., Ltd.
56. Shaoxing Yiyou Stationery Co., Ltd.
57. Shenzhen Jinsunway Mould Co., Ltd.
58. Shijiazhuang Shuangming Trade Co., Ltd.
59. Shouguang Hongsheng Import and Export Co., Ltd.
60. Shun Far Enterprise Co., Ltd.
61. Suntec Industries Co., Ltd.
62. Suqian Real Faith International Trade Co., Ltd.
63. Taizhou Dajiang Ind. Co., Ltd.
64. Team One (Shanghai) Co., Ltd.
65. Tianjin Bluekin Industries Co., Ltd.
66. Tianjin D&C Technology Development.
67. Tianjin Huixinshangmao Co., Ltd.
68. Tianjin Jin Xin Sheng Long Metal Products Co., Ltd.
69. Tianjin Jinyifeng Hardware Co., Ltd.
70. Tsi Manufacturing LLC.
71. Tung Yung International Limited.
72. Unicom (Tianjin) Fasteners Co., Ltd.
73. Wire Products Manufacturing Co., Ltd.
74. Yangjiang Meijia Economic & Trade Co., Ltd.
75. Youngwoo (Cangzhou) Fasteners Co., Ltd. (Youngwoo)
76. Yuchen Imp. and Exp. Co, Ltd.
77. Yueqing Yuena Electric Science and Technology Co., Ltd.
78. Zhejiang Fairtrade E-Commerce Co., Ltd.
79. Zhejiang KYT Technology Co., Ltd.